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8 **UNITED STATES BANKRUPTCY COURT**
9 **EASTERN DISTRICT OF WASHINGTON**

10 In re:

11 GIGA WATT, Inc., a Washington
12 corporation,
13 Debtor.
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Case No. 18-03197 FPC 11

The Honorable Frederick P. Corbit

**ORDER APPROVING: (I) SALE OF
TNT FACILITY AND TRAILER
EQUIPMENT FREE AND CLEAR
OF ALL LIENS, CLAIMS AND
INTERESTS, RELATED
OVERBIDDING AND NOTICE
THEREOF; (II) ASSUMPTION AND
ASSIGNMENT OF LEASES AND
POWER CONTRACT; AND (III)
GRANTING REQUEST FOR
SHORTENED NOTICE THEREON**

19 This matter came to be heard on the *Chapter 11 Trustee's Motion for Order*
20 *Approving: (i) Sale of TNT Facility and Trailer Equipment Free and Clear of All*
21 *Liens, Claims and Interests, Subjecting to Overbidding, and Approving Notice*
22 *Thereof; (ii) Assumption and Assignment of Leases and Power Contract, and (iii)*
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24 Order Approving: (i) Sale of the TNT Facility and Trailer Equipment Free and
25 Clear of all Liens, Claims and Interests, etc. - Page 1

1 *Shortening Time Thereon* , (the “**Motion**”) on May 13, 2020 at 1:30 p.m. (the
2 “**Hearing**”). The Court has considered the Motion and completed the Hearing as
3 provided for under sections 105, 363, and 365 of the Bankruptcy Code and Rules
4 2002, 6004, 6006, and 9014 of the Federal Rules of Bankruptcy Procedure and
5 L.B.R. 2002-1, 6004-1, and 6006-1. Based upon the Motion, the record before the
6 Court, the testimony and arguments made and heard at the Hearing and in the
7 filings with the Court, the Court stated its findings of fact and conclusions of law
8 at the Hearing and those findings of fact and conclusions of law are incorporated
9 herein by reference as if set forth fully herein as provided in Rule 7052 of the
10 Federal Rules of Bankruptcy Procedure.

11 ACCORDINGLY, IT IS HEREBY ORDERED THAT THE MOTION IS
12 GRANTED AND FURTHER ORDERED THAT

13 1. The Purchase and Sale Agreement between the Trustee and
14 EcoChain, Inc. (“**EcoChain**”) dated April 30, 2020 (the “**Agreement**”) is
15 approved. Unless otherwise defined herein, capitalized terms used in this Order
16 have the meanings ascribed to them in the Agreement.

17 2. Notice of the Agreement and the transactions contemplated by the
18 Agreement complied with the requirements of the Bankruptcy Code.

19 3. The objections filed to the Motion are overruled, except with respect
20 to the District’s objection, which is granted, as set forth in paragraph 7 hereof.

21 4. EcoChain is not an insider or affiliate of the Trustee or the Debtor as
22 those terms are defined in 11 USC §101. The Agreement was negotiated by the
23 Trustee and EcoChain at arm’s length and EcoChain has acted in good faith and
24 Order Approving: (i) Sale of the TNT Facility and Trailer Equipment Free and
25 Clear of all Liens, Claims and Interests, etc. - Page 2

1 without collusion or fraud of any kind. Neither party to the Agreement has
2 engaged in any conduct that would prevent the application of 11 USC § 363(m) or
3 cause the application of 11 USC § 363(n) with respect to the consummation of the
4 transactions contemplated by the Agreement. EcoChain is purchasing the
5 Purchased Assets in good faith within the meaning of 11 USC §363(m) and
6 EcoChain is entitled to the protections of 11 USC §363(m).

7 5. The Trustee is authorized to sell the TNT Equipment and the Trailer
8 Equipment to EcoChain pursuant to the Agreement.

9 6. The Trustee is authorized to assume the TNT Leases and the Power
10 Contract pursuant to the Agreement.

11 7. The Trustee is hereby authorized to assign to EcoChain the TNT
12 Leases, the Power Contract, and the Trailer Oral Lease pursuant to the Agreement;
13 provided that the assignment of the Power Contract to EcoChain is subject to
14 EcoChain's compliance with the District's policies for new customers and
15 specifically, EcoChain is required to provide to the District:

16 a. a Service Order in the form of the exemplar attached hereto as

17 **Exhibit 1;**

18 b. an energy requirements forecast as detailed in Section 16 of the
19 Power Contract;

20 c. a proof of lease for the TNT Facility to confirm that the lease
21 matches the Point of Delivery locations listed on Exhibit B of the
22 Power Contract;

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- 1 d. the fully executed Assumption and Assignment Agreement
2 (Tangible Property) assigning the Power Contract from the
3 Trustee to EcoChain; and
4 e. a deposit in the amount of two (2) months projected usage as
5 determined by the District based on historical usage and the
6 energy requirements forecast submitted to the District by Eco-
7 Chain, payable in the form of 50% cash and 50% letter of credit.

8 8. The Sale of the Purchased Assets to EcoChain is free and clear of all
9 liens, encumbrances, claims and/or interests pursuant to sections 363(f)(4) and (5)
10 of title 11 of the United States Code.

11 9. EcoChain is not a successor to the Debtor or the bankruptcy estate
12 and is released from any potential liability in connection with the purchase of the
13 Purchased Assets.

14 10. The Bidding Procedures as proposed in the Motion are approved.

15 11. The Break-Up Fee as proposed in the Motion is approved.

16 12. The 14-day stay provided by Rule 6004(h) and Rule 6006(d) of the
17 Federal Rules of Bankruptcy are waived.

18 13. This Order is without prejudice to the administrative claim asserted
19 by the Ad Hoc Creditors' Committee of WTT Token Holders and Miners on
20 behalf of its members, filed in this Court on April 1, 2020 [Doc. 547] and is
21 further without prejudice to the issue of who owns the proceeds.

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1 14. This Order shall be valid and fully effective immediately upon its
2 entry.

3 **/// END OF ORDER ///**

4 APPROVED AS TO FORM:

5 **U.S. TRUSTEE'S OFFICE**

6 /s/ James D. Perkins
7 _____
James D. Perkins, WSBA No. 25105
8 *Attorney for U.S. Trustee*

8 **SALISH SEA LEGAL**

9 /s/ Benjamin Ellison
10 _____
Benjamin Ellison, WSBA No. 48315
11 *Attorneys for the Official Committee of*
12 *Unsecured Creditors*

12 **PAINE HAMBLIN LLP**

13 /s/ Kathryn McKinley
14 _____
Kathryn McKinley, WSBA No. 25105
15 *Attorneys for the Public Utility District*
16 *No. 1 of Douglas County, Washington*

15 **EISENHOWER, CARLSON PLLC**

16 /s/ Samuel Dart
17 _____
Samuel Dart, WSBA No. 47871
18 *Attorneys for the Ad Hoc Non-Profit Creditors'*
19 *Committee of WTT Token Holders & Owners*

19 PRESENTED BY:

20 **POTOMAC LAW GROUP, PLLC**

21 /s/ Pamela M. Egan
22 _____
Pamela M. Egan, WSBA No. 54736
23 *Attorneys for Mark D. Waldron, as*
24 *Chapter 11 Trustee*

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25 Clear of all Liens, Claims and Interests, etc. - Page 5